

1
2
3
4
5
6
7
8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **Western Division**

11
12 **SECURITIES AND EXCHANGE**
13 **COMMISSION,**

14 **Plaintiff,**

15 **vs.**

16 **NOTIS GLOBAL, INC. (f/k/a**
17 **MEDBOX, INC.), VINCENT**
18 **MEHDIZADEH, BRUCE BEDRICK,**
19 **YOCELIN LEGASPI, and NEW-AGE**
20 **INVESTMENT CONSULTING, INC.,**

21 **Defendants.**

Case No. 2:17-cv-01905-SVW-SK

FINAL JUDGMENT AS TO
DEFENDANT NOTIS GLOBAL, INC.
F/K/A MEDBOX, INC.

22 *///*

23 *///*

24 *///*

25 *///*

26 *///*

27 *///*

28 *///*

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Notis Global, Inc., f/k/a Medbox, Inc. (“Defendant”) having consented to
3 the Court’s jurisdiction over Defendant and the subject matter of this action;
4 consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction and except as otherwise
6 provided herein in paragraph XIII; waived findings of fact and conclusions of law;
7 and waived any right to appeal from this Final Judgment:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 10(b) of the Securities Exchange Act (the “Exchange Act”) [15 U.S.C. § 78j(b)] and
12 Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or
13 instrumentality of interstate commerce, or of the mails, or of any facility of any
14 national securities exchange, in connection with the purchase or sale of any security:

- 15 (a) to employ any device, scheme, or artifice to defraud;
16 (b) to make any untrue statement of a material fact or to omit to state a
17 material fact necessary in order to make the statements made, in the light
18 of the circumstances under which they were made, not misleading; or
19 (c) to engage in any act, practice, or course of business which operates or
20 would operate as a fraud or deceit upon any person.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
22 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
23 binds the following who receive actual notice of this Final Judgment by personal
24 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
25 attorneys; and (b) other persons in active concert or participation with Defendant or
26 with anyone described in (a).

27 II.

28 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that

1 Defendant is permanently restrained and enjoined from violating Section 17(a) of the
2 Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale
3 of any security by the use of any means or instruments of transportation or
4 communication in interstate commerce or by use of the mails, directly or indirectly:

5 (a) to employ any device, scheme, or artifice to defraud;

6 (b) to obtain money or property by means of any untrue statement of a
7 material fact or any omission of a material fact necessary in order to
8 make the statements made, in light of the circumstances under which
9 they were made, not misleading; or

10 (c) to engage in any transaction, practice, or course of business which
11 operates or would operate as a fraud or deceit upon the purchaser.

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
13 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
14 binds the following who receive actual notice of this Final Judgment by personal
15 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
16 attorneys; and (b) other persons in active concert or participation with Defendant or
17 with anyone described in (a).

18 III.

19 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
20 Defendant is permanently restrained and enjoined from violating Section 5 of the
21 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of an
22 applicable exemption:

23 (a) Unless a registration statement is in effect as to a security, making use of
24 any means or instruments of transportation or communication in
25 interstate commerce or of the mails to sell such security through the use
26 or medium of any prospectus or otherwise;

27 (b) Unless a registration statement is in effect as to a security, carrying or
28 causing to be carried through the mails or in interstate commerce, by any

1 means or instruments of transportation, any such security for the purpose
2 of sale or for delivery after sale; or

3 (c) Making use of any means or instruments of transportation or
4 communication in interstate commerce or of the mails to offer to sell or
5 offer to buy through the use or medium of any prospectus or otherwise
6 any security, unless a registration statement has been filed with the
7 Commission as to such security, or while the registration statement is the
8 subject of a refusal order or stop order or (prior to the effective date of
9 the registration statement) any public proceeding or examination under
10 Section 8 of the Securities Act [15 U.S.C. § 77h].

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
12 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
13 binds the following who receive actual notice of this Final Judgment by personal
14 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
15 attorneys; and (b) other persons in active concert or participation with Defendant or
16 with anyone described in (a).

17 IV.

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
19 Defendant is permanently restrained and enjoined from violating Section 15(a)(1) of
20 the Exchange Act [15 U.S.C. §§ 78o(a)(1)] by making use of the mails or any means
21 or instrumentality of interstate commerce to effect any transaction in, or to induce or
22 attempt to induce the purchase or sale of, any security, without being registered as a
23 broker or dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §
24 78o(b)].

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
26 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
27 binds the following who receive actual notice of this Judgment by personal service or
28 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and

1 (b) other persons in active concert or participation with Defendant or with anyone
2 described in (a).

3 V.

4 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
5 Defendant is permanently restrained and enjoined from violating, directly or
6 indirectly, Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20,
7 13a-1 and 13a-13 promulgated thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1 and
8 240.13a-13] by filing or causing to be filed with the Commission any information,
9 document, or report required to be filed with the Commission pursuant to Exchange
10 Act Section 13(a) and the rules and regulations promulgated thereunder, which
11 contains any untrue statement of a material fact, which omits to state any material
12 fact necessary in order to make the statements made, in light of the circumstances
13 under which they were made, not misleading, or which omits to disclose any
14 information required to be disclosed.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
16 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
17 binds the following who receive actual notice of this Judgment by personal service or
18 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
19 (b) other persons in active concert or participation with Defendant or with anyone
20 described in (a).

21 VI.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant is permanently restrained and enjoined from violating, directly or
24 indirectly, Sections 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act [15U.S.C. §§
25 78m(b)(2)(A) and 78m(b)(2)(B)] by failing:

- 26 (a) to make and keep books, records, and accounts that, in reasonable detail,
27 accurately and fairly reflect the transactions and dispositions of the
28 assets of the issuer; or

1 (b) to devise and maintain a system of internal accounting controls sufficient
2 to provide reasonable assurances that (i) transactions are executed in
3 accordance with management's general or specific authorization; (ii)
4 transactions are recorded as necessary (I) to permit preparation of
5 financial statements in conformity with generally accepted accounting
6 principles or any other criteria applicable to such statements, and (II) to
7 maintain accountability for assets (iii) access to assets is permitted only
8 in accordance with management's general or specific authorization; and
9 (iv) the recorded accountability for assets is compared with the existing
10 assets at reasonable intervals and appropriate action is taken with respect
11 to any differences.

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
13 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
14 binds the following who receive actual notice of this Judgment by personal service or
15 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
16 (b) other persons in active concert or participation with Defendant or with anyone
17 described in (a).

18 VII.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
20 Consent is incorporated herein with the same force and effect as if fully set forth
21 herein, and that Defendant shall comply with all of the undertakings and agreements
22 set forth therein.

23 VIII.

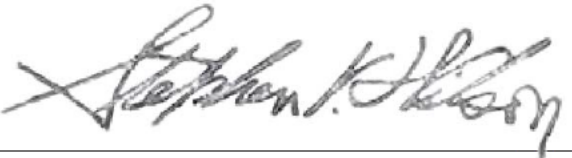
24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
25 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
26 Final Judgment.

27 IX.

28 There being no just reason for delay, pursuant to Rule 54(b) of the Federal

1 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith
2 and without further notice.

3
4 Dated: March 22, 2017

5 
6 UNITED STATES DISTRICT JUDGE
7 STEPHEN V. WILSON
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28